

The Truth Behind Italy's \$1 Homes
<https://www.youtube.com/watch?v=nP2vtDLTAgM>
Transcript: <https://dontveter.com/ec/italy.pdf>

These are Italy's famous dollar homes but here I'm not going to talk because there is a pigeon living in this bath.

And that's Jillian, a new homeowner in Sambuca, Sicily, a picturesque town in Italy's countryside, in danger of dying out.

That is, until the government started selling abandoned homes here practically for free.

People from around the world came running, hoping to get in on the deal and while the pandemic may have delayed some of these plans, it hasn't deterred buyers even though the true cost of these homes is a lot more than a dollar.

Holy moly, over 20 towns across Italy have started selling abandoned homes for a single euro or about a dollar and 10 cents.

For the sake of this video we'll call them dollar homes.

The towns selling these dollar homes are small and most of them are far out in the countryside and they've been suffering from rapid depopulation for decades.

In 1968 a massive earthquake hit Sicily.

It caused so much damage that for some homeowners it was cheaper to cash in on insurance and move somewhere else completely.

The exodus continued from there across Italy. Younger people left for the cities.

Many moved to escape the poor job markets in their rural hometowns.

In Sambuca, the population has decreased by 30 percent since the 1950s.

There's not much work here right now so the only work is instruction.

And, according to the Wall Street Journal, it's been especially bad in the last 15 years.

The town was small, we used to be 8,000 people, now we're only 5,000 people.

And Sambuca isn't alone, tally up all those towns losing residents and that makes more than a million people in the last 20 years who have moved away from Italy's rural regions and closer to the urban cities.

A lot of people went to UK, to Northern Italy and other parts of the world to have a job.

So here we have a lot of houses without people inside.

What's left are beautiful towns with abandoned homes, an aging population and economies on the verge of collapse.

So we decided to repopulate these parts of the town.

Now you can buy a home with only one euro.

Some towns like Sambuca set up websites where prospective buyers could scroll through the homes for sale.

In the mountainous town of Melise where they've lost 9,000 residents since 2014, town officials made the deal sweeter.

They would pay newcomers almost 800 a month to move here for three years and start a small business.

It didn't take long for publications to pick up the story and it blew up globally.

In some parts of Sicily you can buy your own home for just one euro.

The headline kind of writes itself, it's a beautiful home in rural Italy for a dollar.

I mean who isn't going to click on that?

Once the story got out, people from all over came running.

The very beginning started on Facebook.

I saw my mum had shared an article and when I saw it, I thought I wanted to buy a house for a euro!

All the other stories sounded pretty similar.

We saw the CNN article, right? And an article in a Belgian newspaper.

Most of the newcomers came from the US and Northern Europe.

I met the people who arrive in Sambuca, I'm enthusiastic for this big, big revolution.

That's Giuseppe, he's the guy who launched the program in Sambuca, a town of nearly 6,000.

Sambuca got the widest media coverage after Giuseppe put 16 homes up for sale in early 2019.

~~I arrive at the~~ [A lot of] interesting people [arrived], a journalist, singer, and actor, everything, you know.

It's important ~~arrive young~~ [to have young people], ~~people~~ young women and young men ~~for~~ to stay in Sambuca.

Even though the towns are small and rural foreigners have flocked here looking to find vacation homes, open airbnbs or even move here full time.

<https://bnbduck.com/what-is-an-airbnb-and-how-does-it-work/>

What Sambuca has that I haven't experienced elsewhere is really the history of it.

I love how you can just see the stucco peeling off and the old stone just popping out right behind it, it's like a little piece of history.

You actually could take a photo anywhere around about you see [and] you could actually put them on the wall, you know.

It's like a Disney movie.

Plus everyone we spoke to said the locals here were welcoming to the new faces and energy. Ciao, ciao.

My neighbor is gonna make lasagna and she invited my wife to make it with her.

That's the best lasagna I ever tasted.

So landing a dollar home in these idyllic towns may sound perfect, but there's a catch, actually multiple catches.

You have to spend money to make the contract, for the taxes, and another 400 for a real estate company.

That could bring up the total to about \$3,000.

In some towns like Sambuca, the homes were actually sold at auction, which meant they started at a dollar but ended up selling to the highest bidder.

More than a hundred thousand people sent in requests for 16 houses so competition was steep.

I looked at my emails one day and I saw this email and I went ooooh.

That's Jillian, she's from Scotland and was one of the lucky auction winners in Sambuca.

I'm at the house and this is the first time that we've seen it.

She ended up paying \$1,100 for her new home.

So I picked up the phone to my long suffering husband and I said Danny, see, when I say this I'm not joking, but we've got lot number seven on that auction, and he was like, oh?

Only one home in Sambuca actually sold for the dollar listing price.

Most of them ended up going for a few thousand, but the most expensive home went for 28,000.

Then there's the security deposit. We bought the house for the thousand euros [but] at the same time we had to send a 5,000 euro deposit.

The deposit amount ranges from twenty three hundred to fifty six hundred dollars depending on the town.

Homeowners will get it back if they start renovations within a year and agree to finish within three years of getting designs approved.

It's a safeguard for them to make sure that they don't almost give away these properties and then they sit vacant again, because they want people to be in and using them.

And since most of the homes were in pretty rough shape, they sometimes come with a requirement to spend at least \$17,000 on renovations.

Houses are really destroyed, really, so you have to do a lot of work.

That's Bert and his wife, Nina.

They're from Belgium and were two of the first people to purchase dollar homes in Musameli.

They purchased four dollar properties and have finished renovations on one of them.

If you buy a house at one euro you can't expect it will be beautiful. Impossible.

Plus when these new buyers still live abroad, renovations take a while.

It's far, so we're gonna have to hire somebody and also they don't have large hardware stores, so I can't just like run down and grab lumber.

So what does a dollar home really cost?

Let's do the math, a dollar listing, four hundred dollars in taxes, a fifty six hundred dollar deposit, say sixty thousand dollars in renovations, plus flights back and forth for years.

Add it all up and you're looking at seventy six thousand and one dollars.

Still nothing compared to the hundred twenty four thousand dollars that Forbes reported one Sambuca resident expects to spend renovating, and that's for a home that was supposed to cost a dollar.

So it might seem like a rip-off.

But if you buy those houses in Belgium it's a million.

The fact that we will have a holiday home for, for life, for, a fraction of the price that we would spend elsewhere, you know that I would do again in a heartbeat and I haven't even finished it yet.

And so far the program has been a success.

In Musamelli, more than a hundred of the houses have been sold in the past year.

In Sambuca, all 16 of the original euro homes went in a matter of months.

Today they've sold a total of about 60 and some people who didn't win a dollar home at auction stuck around to buy a normal listing like Gary and Tamara, a couple from Arizona, who bought their home from a private seller for 20 thousand dollars.

Now this home needs still needs quite a bit of work, yeah it the roof is in rough shape but it's gonna be beautiful when it's done.

The dollar home sales stopped across Italy due to the coronavirus.

Italy was kind of seen as Europe's ground zero for coronavirus cases with the majority in the much more densely populated north.

This means that there are a lot less cases in the south, but the south is actually worse affected economically because it's a lot poorer.

Gary and Tamara haven't been able to travel to Sambuca since.

It gave us some more time for the planning phase, so we've been able to work with our architect to, to sort of nail down all the odds and ends that we wanted to do.

As of July 2020, the program has started up again in Sambuca and it's called Casa for Two Euros, so they are starting it back up.

Despite the pandemic, there's hope that all these newcomers will bring about change in these rural towns.

It started to light like a small economy here, engineers, architects, designers that make plans, make projects of the house.

The building companies can have a job also.

Along with new businesses restaurants and airbnbs in Sambuca and Musameli, Tamra said you'll also see postings for English classes.

And I also think it's helped tourism because the last couple times I've been there, I've been seeing more and more tour buses coming through.

So I really think it's put Sambuca on the map.

Of course more people in one sleepy towns will create some friction.

In Musameli one of the local newspapers had launched something of a smear campaign against the new Belgian inhabitants after one of them was arrested for being drunk and disorderly, so there are some cultural differences that will need to be worked out.

And in Sambuca, people come [from] out of town to eat food in here [and] they love this place, it's beautiful, and we go there too.

I love that too, but the problem, is it's too busy, I couldn't go there, I don't like to wait.

As for whether all this new energy will really save these shrinking towns, only time will tell.

In my time reporting in Sicily, the reaction to myself and the newcomers in town was really, really positive.

I think they were just excited to see some fresh faces.

You see it now, already all the houses are renovated.

There will be a new bed and breakfast.

At piazza roma it is beautiful.

In my street there's a new home and everybody is working on it, and I think, let me say 10 years, it will be a beautiful city.